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#### BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION	)	
OF PACIFICORP DBA ROCKY MOUNTAIN	)	CASE NO. PAC-E-13-04
POWER TO INITIATE DISCUSSIONS WITH	)	
INTERESTED PARTIES ON ALTERNATIVE	)	<b>COMMUNITY ACTION</b>
RATE PLAN PROPOSALS	)	PARTNERSHIP ASSOCIATION
	)	OF IDAHO'S SUPPLEMENT TO
	)	PETITION FOR INTERVENOR
	)	FUNDING
	)	

COMES NOW, the Community Action Partnership Association of Idaho and, pursuant to the Commission's Final Order No. 32910 issued on October 24, 2013 in this case, hereby submits a Supplement to CAPAI's Petition for Intervenor Funding previously filed in this matter.

CAPAI has always itemized its expenses into the specific categories stated in Rule 162(01) which include: "legal fees, witness fees, or reproduction fees." CAPAI's attorney had no foreknowledge or reason to segregate his hours into the categories listed in the Commission's Final Order but has carefully scrutinized his timesheets and done his very best to make the requested allocation into the seven categories listed in Order No. 32910 as follows: 1) reviewing and investigating the Application; 2) discovery; 3) participating in the settlement conferences; 4) the discovery dispute (Motion to Compel); 5) witness/hearing preparation; 6) the hearing, and; 7) preparing the intervenor funding petition and reply. *See, Order 32910 at p. 14.* Finally, CAPAI

accepts the Commission's option of breaking out total funding hours (and associated expenses) on a percentage basis. *See, Id.* 

It is not CAPAI's intention to reargue a case already decided by the Commission in this Supplement. Rather, CAPAI simply attempts to provide the Commission with greater insight into how CAPAI's objectives and areas of interest and concern led to the expenditure of time by its legal counsel, the billing practices of CAPAI's legal counsel, CAPAI's budgetary limitations, and how all of the foregoing affected and account for the total hours invested in this case.

Each of the category headings below contain the percentage of hours invested in that category in relation to the total hours included in CAPAI's funding petition.

## 1. Reviewing and investigating the Application: 26%

CAPAI's attorney, with the assistance of its expert witness Christina Zamora, for whom no funding recovery was sought, spent approximately 20% of his time reviewing and investigating the Application. The amount of time spent on this task was relatively higher than other, more traditional, rate cases due to the unusual nature of the Company's filing and the fact that CAPAI did not have the benefit of the information discussed during the pre-filing meeting(s) or conference(s) that took place.

Rocky Mountain did not disseminate anything in writing to CAPAI prior to the first settlement conference (in time such that CAPAI could review it), that shed any light on the specifics of what had already been discussed by select parties and of what the Company was hoping to achieve in this case, as well as the "alternative procedure" to be employed.

Thus, in order to not go into the settlement conferences blind, CAPAI's legal counsel invested considerable time in attempting to review and investigate what has been referred to as an "unprecedented" filing through, among other means, numerous contacts with individuals

involved in this proceeding, including representatives of the majority of parties, as well as individuals outside the state who might have encountered a similar filing by PacifiCorp or any other regulated utility. Legal research was also conducted to assess the procedural issues that were ultimately raised and to determine whether there were any past Commission cases and final orders involving an electric general rate case and that were in any respect similar to the Application filed in this case.

### 2. Discovery: 8%

First, because the Commission identified "discovery dispute" as a separate category distinct from "discovery," this second category is limited to the expenses incurred in actually drafting and submitting discovery responses and nothing more. Although a contentious discovery dispute resulted in relation to one subpart of one discovery request out of six submitted by CAPAI to Rocky Mountain, the Company did respond without objection to the remaining requests.

Second, CAPAI was the only party who expressed any interest in analyzing the area of residential rate design. During the first settlement conference, CAPAI explicitly articulated that it was concerned about whether Rocky Mountain's existing rate design would produce a settlement that was fair, just and reasonable to residential customers, particularly low-income. CAPAI described in detail the nature of the information it would seek in this case including model runs from Rocky Mountain Power showing how changes to the various components of residential rate design would impact monthly bills for low-income customers. CAPAI noted that it successfully obtained precisely the same information from Avista, through informal discovery requests and that the identical discovery requests had been or were in the process of being obtained from PacifiCorp's in that Company's pending general rate case in Washington.

After listening to CAPAI's detailed explanation of its interests, objectives, and concerns, Rocky Mountain's senior executives suggested that CAPAI informally submit its discovery requests to the Company (Mr. Ted Weston) via email, and that the information would be promptly provided to facilitate settlement.

Third, because of the informal nature of the discovery process adopted during settlement and because CAPAI had already made identical discovery requests in the Avista case and had access to identical requests submitted in PacifiCorp's Washington case, the actual act of duplicating these six already-prepared and available discovery requests and simply changing the name of the utility before emailing them to Rocky Mountain constituted approximately 8% of CAPAI's time.

## 3. Participating in the Settlement Conferences: 19%

For the reasons stated in subsection 1 above, CAPAI spent a relatively greater amount of time preparing for and participating in the two settlement conferences conducted in this case.

The settlement conferences were the first and only opportunity CAPAI had to obtain a meaningful understanding of Rocky Mountain's Application and the "alternative procedure" that was purportedly being proposed.

Because CAPAI did not have foreknowledge of what had already been discussed prior to the settlement conferences, those conferences took additional time both during the conference and in terms of preparation and post-conference work as CAPAI further attempted to fully understand the specifics of the ratemaking process that was being proposed and assess the consequences of such proposals to Rocky Mountain's low-income residential customers.

In light of the foregoing, CAPAI estimates that the time it spent preparing for and participating in the two settlement conferences comprised approximately 19% of the total hours for which reimbursement is sought.

# 4. The Discovery Dispute: 15%

The "discovery dispute" formally began relatively late in this case and was resolved just days prior to hearing. The majority of work invested in the dispute, therefore, was also performed late in the process. As the Commission is aware, CAPAI's available funding for intervention in cases before this Commission is very limited and must compete against other projects. CAPAI and its legal counsel must work within a budget cap for this and other projects or cases. Furthermore, CAPAI has always paid its legal counsel and witnesses, if any, before it seeks reimbursement for these costs. Thus, it pays as it goes and must carry this expenditure until such time that the Commission might provide reimbursement through intevenor funding.

CAPAI funds participation in Commission proceedings through a portion of its LIHEAP funding, a source which has declined significantly in recent years. The budget for activities that include PUC participation extends through September, 2014, but is significantly depleted. This presents a considerable challenge to CAPAI, particularly in light of the fact that Idaho Power Company is expected to file its general rate case in the relatively near future. There is a very real chance that CAPAI will not be financially capable of intervening in that important case.

Because of these budgetary limitations and the many other demands on CAPAI's limited resources, therefore, it is not uncommon for CAPAI's legal counsel to simply not bill for certain tasks and to maintain a relatively low hourly rate considering his experience and the highly specialized nature of utility law. Following the completion of the two settlement conferences and Rocky Mountain's assurances that it would provide the same information that CAPAI had

obtained and/or was seeking from all electric utilities, it did not appear that this case would consume a significant portion of CAPAI's available budget. As this case progressed, however, and as promises, whether perceived or actual, were not honored, it became apparent to CAPAI and its legal counsel that the matter could consume more resources than originally predicted and that CAPAI would either need to withdraw from the case, or its legal counsel would need to work partially without compensation. To a certain extent, the latter option was exercised.

CAPAI's legal counsel maintains timesheets for all work performed, regardless of whether it is ultimately billed and included in a funding petition. Legal Counsel has carefully reviewed all work performed on the discovery dispute and determined that approximately 50% of such work was not billed to CAPAI, was not paid to legal counsel, and was not included in CAPAI's funding petition. The remaining 50% was billed, paid, and included in the petition and constitutes 15% of CAPAI's total hours and expenses sought in that petition.

## 5. Witness/Hearing Preparation: 9%

CAPAI rarely has the financial means to retain an expert witness and has historically relied heavily on its Executive Director to serve as its expert witness for all aspects concerning the impact of utility bills on low-income ratepayers and the means, or lack thereof, of such customers to control their own consumption levels. This case was the first time that Ms. Zamora testified before the Commission. Thus, regardless of the nature of her testimony in this case and whether one agrees with it or not, the amount of time spent preparing for hearing and preparing CAPAI's only witness is relatively greater than would otherwise be expected of a witness experienced in hearing procedure before the Commission including cross-examination. This work constitutes 9% of CAPAI's total hours and expenses.

## 6. The Hearing: 19%

In terms of time physically spent at the hearing itself, CAPAI obviously spent the same hours as any other party who attended. In terms of hearing preparation and participation, however, CAPAI was the only party who challenged the proposed settlement and presumably invested far more hearing preparation time than perhaps other Intervenors who had joined the settlement. The nature of work performed by CAPAI in preparation for and participation in hearing includes, among other things, work related to cross-examination, the introduction of exhibits, legal research in anticipation of objections, preparation of opening and closing arguments, preparation for oral argument on motions, and numerous other tasks. CAPAI spent 19% of its time at hearing and for work performed in preparation of hearing.

# 7. Preparing the Intervenor Funding Petition and Reply: 4%

As stated, CAPAI only bills for work actually and already performed. Due to the practicalities of preparing the funding petition, including last-minute changes and work done after the petition is sent to the printers, a significant portion of the work involved in preparing and filing the petition is not known in sufficient time to include it in the funding amount.

Because CAPAI does not pad its funding amount to cover assumed or anticipated actual costs of preparing the petition, a portion of work performed on the petition is inevitably not included nor reimbursed.

Finally, intervenor funding petitions are relatively homogenous in terms of the information required to be included in the petition pursuant to Procedural Rules 161 *et seq.* and it is typical for CAPAI to utilize a standard form for funding petitions and then customize that form to fit the particulars of the case at hand. In light of the foregoing, CAPAI invested approximately 4% of its expenses in its Petition for Intervenor Funding.

Regarding the Reply to Rocky Mountain's objection to CAPAI's funding petition, CAPAI notes that its petition for intervenor funding had already been filed by the time Rocky Mountain's objection was filed. CAPAI's petition was never altered to seek additional amounts related to its Reply to the objection. Thus, although CAPAI performed the work necessary to prepare and file the Reply, it included no associated time or expense in its funding petition for this task.

#### **CONCUSION**

As stated, CAPAI's legal counsel has invested considerable time and effort in carefully and to the best of his ability, breaking out the percentage of work into the categories set forth by the Commission in its Final Order. Though detailed in their nature, legal counsel's timesheets were not written in a manner that neatly segregates his work into the categories chosen by the Commission and, therefore, required a certain degree of approximation and objective best judgment by counsel to make such a calculation. In the event that the Commission desires additional information, counsel is prepared to promptly respond to any such request.

DATED, this 6th day of November, 2013.

Brad M. Purdy

#### CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on the 6th day of November, 2013, served a copy of the foregoing document on the following by electronic mail and/or U.S. mail, first class postage.

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